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S E C R E T SECTION 01 OF 03 DHAKA 001837

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TAGS: KDEM PGOV PHUM PINR BG
SUBJECT: BANGLADESH CHIEF ADVISOR STRESSES CARETAKER

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GOVERNMENT ACCOMPLISHMENTS ON EVE OF CYCLONE SIDR'S ARRIVAL

Classified By: CDA a.i. Geeta Pasi, Reason 1.4 (d)

- 11. (C) Summary: During an hour long one on one meeting, on the eve of Cyclone Sidr's arrival November 15, Fakhruddin Ahmed(Bangladesh,s Chief Advisor explained his goals for the caretaker government and asked for inturoational support for the massive reforms underway. Frank and open, he came across as a person committed to a vision, namely reforming and strengthening the institutions needed for sustainable democracy. Had the Caretaker Government limited itself solely to organizing a free, fair and credible election, he opined their work could have been completed in a few months. This caretaker government has a much larger agenda to ensure free, fair and credible elections now(and in the future. This requires something other than an early election, namely time-consuming institutional reforms. End Summary.
- 12. (C) Political Developments: The Chief Advisor said the election roadmap was very much on track, taking some time to recount the massive effort involved in registering ninety million people. With regard to the Awami League, s suggestion that there be a political dialogue between the parties and the Caretaker Government, he replied such a dialogue would only be possible after the Election Commission completed its ongoing discussions with political parties. I noted the concern voiced by many!that whichever party wins the elections in late 2008 might simply overturn all the decisions made by the Caretaker Government. The ChiefM Advisor acknoghddged this was a risk. While he is willing to talk to the parties, he felt pressure from the international community would be critical to keep the parties on track. reiterated the offer we had made to the Chief Election Commissioner, namely tapping NDI and IRI to facilitate inter as well as intra party discussions. The Chief Advisor welcomed this although he warned the perception of external influence might become a political issue.
- ¶3. (C) I had learned the day before from Chief of Army Staff General Moeen that delays in the arrival of the thousands of computers needed to complete the military-spearheaded voter registration might jeopardize the early completion of the voter list and delay the elections. Without revealing the source of the information, I asked the Chief Advisor about a possible delay in the completion of the registration and concomitant delay in the parliamentary elections. He seemed very surprised and said he would follow up with the Election Commissioner right away. (Note: We were able to confirm later with the UN Resident Representative that two thousand UN procured!computers needed for the registration had been stuck in Malaysia because of lack of cargo space. The UN had ordered two thousand additional computers to help the government make up for lost time. We have since learned that all four thousand computers have arrived in Dhaka, and will

be ready for use on December 1. It is not clear yet, according to the UN, what impact the delay of the arrival of the computers will have on the registration process or the election roadmap. What is clear, however, is that the Chief Advisor may not be in the loop on this important issue. End Note.)

- ¶4. (C) Counterterrorism issues: The Chief Advisor said he was reaching out to Muslim religious leaders to call on them to assist in denying extremist influence in Bangladesh. We talked at some length about his recent speech at the imam academy to enlist their support in fighting terrorism. He was aware of our efforts to reach out to religious leaders to prevent trafficking in persons. He seemed intrigued by the &Leaders of Influence8 program\$(popularly known as mullahs on the bus in Washington) where we show target groups our assistance programs, etc.) a sort of in-country visitor program. We touched on a possible public relations campaign against extremism along the lines of something we had done to combat diversity visa fraud.
- ¶5. (C) The Chief Advisor confirmed that both the pending anti-terrorism legislation and the revised anti-money laundering legislation were on track. I asked him about media reports in which the Law Advisor had dismisse` the proposed anti-terrorism legislation and as redundant since Bangladesh,s existing laws amply addressed the issue. He seemed unaware of what is widely seen as the Law Advisor,s opposition to the legislation, but he is keenly aware of the importance of passage of the dwo pieces of legislation as a pre-cursor to joining the Egmont Group in 2008. He clearly said Bangladesh is committed to all three and said he planned to personally track them and ensure their successful passage.

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- 16. (C) We also talked about human rights and the Rapid Action Battalion (RAB). He noted that RAB needs training, confiding that his directives on the importance of human rights have limited impact in an organization that has always done business another way. I explained we were working with the Home Ministry and the Ministry of Foreign Affairs to obtain information on various human rights incidents, pointing out that moving forward required transparent investigations and full reporting on outcomes.
- 17. (C) Economic issues: Fakhruddin Ahmed was most at ease when discussing economic issues, particularly reforms. While acknowledging challenges, he said the people of Bangladesh were happy with the Caretaker Government and advised me not to put too much stock in media reports. He said the Caretaker Government was committed to reforming key sectors) telecommunications and banks, in particular. The Chief Advisor acknowledged that the vulnerability of the underground fiber optic cable (severed 22 times of which seven were cases of sabotage) was a serious concern. He was focused on not only a backup arrangemaot but also an expanded cable to meet what he expects to be an expanded future demand. He described the economy as improving, citing an increase in foreign orders of ready made garments. He said he shared our desire to resolve the Chevron-Petrobangla dispute, agreeing the perception that contracts are not being respected could drive away foreign direct investment. He also acknowledged that much of the bureaucracy needs reform, including the procurement process (particularly cumbersome to ensure transparency). We also discussed the challenges of juggling almost forty ministries for two years by a ten member caretaker government. He said the much rumored expansion would take place, but he was struggling with how to do this given the constitution stipulates there will be only ten advisors. He said he was exploring other ways to bring these people into the government, i.e. not as advisors but with another function title.
- 18. (C) TIFA: I touched on the stalled Trade and Investment Framework Agreement (TIFA), the New Partnership for

Development Act (NPDA)(and the Millennium Challenge Corporation results for Bangladesh. The Chief Advisor said he planned to explore the history of the TIFA and considerQ resuscitating it. He also said he had pushed for labor rights as Chief Advisor and noted the Government of Bangladesh response to the GSP petition had reflected the progress made since January010, 2007. On MCC, he said he was not surprised by the poor marks this year on Bangladesh,s scorecard, claiming he had prodded the relevant ministries to be more proactive, including in reaching out to the World Bank, Freedom House and other organizations that rate Bangladesh for the MCC to supply context and updated data for next year,s evaluation.

- 19. (C) Cyclone: We spoke at length about the impending cyclone. Visibly worried, he said he instructed the government to prepare for a worst case scenario. General Moeen had briefed him that day about the 1991 cyclone in which over 100,000 perished. The Chief Advisor told me he was worried about the disaster response, adding that it would not be until first light of day that Bangladeshi aircraft would be available to assess the damage. (NOTE: It turns out that he was right to be concerned. The storm,s impact devastated the livelihood options in the affected region and decimated a critical rice harvest) posing significant challenges to the caretaker government. END NOTE.)
- 110. (S) Comment: Fak(buddin Ahmed is often dismissed by Dhaka,s chattering classes as a technocrat out of his element and lacking in political sense. This was my first extended interaction with him as Chief Advisor. What I found was a thoughtful but soft-spoken person committed to making his country a better place. He shared a vision with me that he said he had shared with Robert Zoellick, President of the World Bank. He referred to a recent newspaper photograph of several girls riding to school in a small village on a bicycle. In this impoverished majority-Muslim nation (where forty percent of the population exist on less than one USD per day), he said this image gave him hope for his country. Educating girls0ogfers its own social rewards, and bicycles are a symbol of economic profrews. A seemingly simple vision, it summarizes the theme of the Chief Advisor,s comments and his stated desire to give everyone in his country a chance at the bright future the photo conveys. This underscores the importance of a prompt effective response to the cyclone so that the attention of the government and donors can return to longer term development challenges.

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